

TABLE OF CONTENTS

1. INTRODUCTION..... 2

2. EXISTING SITE CONDITIONS..... 3

 2.1. Property Description 3

 2.2. Topography..... 3

 2.3. Jurisdictional Waters..... 4

 2.4. Presence of Threatened and Endangered Species 5

3. ESTABLISHMENT AND USE OF CREDITS..... 5

4. ESTABLISHMENT OF THE BANK..... 5

 4.1. Mitigation Banking Instrument (MBI) 5

 4.2. Permits..... 6

 4.3. Bank Development Plan 6

 4.4. Financial Assurances Requirements 7

 4.5. Real Estate Provisions..... 7

5. OPERATION OF THE BANK 7

 5.1. Service Area 7

 5.2. Conditions on Debiting (Credit Availability and Accounting Procedures)..... 7

 5.3. Use of Credits 8

6. MAINTENANCE AND MONITORING OF THE BANK..... 9

 6.1. Maintenance, Monitoring, & Success Criteria..... 9

 6.2. Long Term Protection 9

7. RESPONSIBILITIES OF THE MBRT 9

8. RESPONSIBILITIES OF THE SITE OWNERSHIP 10

LIST OF APPENDICES

APPENDIX 1: SITE VICINITY MAP..... 11

APPENDIX 2: JURISDICTIONAL WATERS MAP (TOPO)..... 12

APPENDIX 3: AERIAL MAP..... 13

1. INTRODUCTION

The Bank Sponsor proposes to establish an umbrella stream mitigation bank (the “Bank”) to provide off-site compensation for the unavoidable loss of waters of the United States and their functions as a result of impacts within the proposed bank’s Geographic Service Area (GSA). The Bank, known as the Roanoke Umbrella Mitigation Bank at Callaway (RUMB-CAL), contains approximately 152 acres including portions along three unnamed tributaries of the South Fork of the Blackwater River. The Bank is located in Franklin County near Callaway, Virginia (Figure 1). The Bank is located on the Blue Ridge Escarpment and lies adjacent to Blue Ridge Parkway property between the Pine Spur and Devil’s Backbone overlooks. The primary GSA (Figure 2) of the proposed bank is defined by the hydrologic unit code (HUC) 03010101, the Upper Roanoke River. Secondary GSA’s of the proposed bank include all sub-basins within the Roanoke River drainage that lie adjacent to the primary GSA (03010101) and include the Middle Roanoke River (03010102), the Upper Dan River (03010103), and the Banister River (03010105). This proposed service area would include all or portions of the counties of Montgomery, Roanoke, Bedford, Franklin, Floyd, Patrick, Henry, Pittsylvania, Halifax, Mecklenburg, Charlotte, Appomattox, and Campbell.

A Mitigation Banking Instrument (MBI) will be developed by the sponsor to establish the Bank. The MBI will contain the Site Development Plan (SDP) and will include site vicinity maps, summary of existing conditions found at the Roanoke Umbrella Mitigation Bank at Callaway, mitigation design for the property including figures, monitoring plan, success criteria, a timetable for implementation and completion, and deed restrictions. The MBI and the Bank will be developed and operated in accordance with the Code of Virginia §33.1-223.2.1 Wetland Banking; and “Compensation Mitigation for Losses of Aquatic Resources”, Federal Register, 40 CFR, Part 230, dated April 10, 2008.

The Bank is being developed to provide a mitigation option for projects located within the Bank’s primary and secondary GSA’s that require compensation for unavoidable impacts to jurisdictional waters of the U.S. Currently, no stream specific mitigation banks exist within the GSA’s serviced by this proposed mitigation bank. The goals and objectives of the Roanoke Umbrella Mitigation Bank at Callaway will focus on preserving and enhancing important ecological relationships between the proposed mitigation streams and the adjacent riparian and upland buffers. The RUMB-CAL site will have invasive species

removal (Tree of Heaven and multi-flora rose have been identified), and subsequent light planting of native species in these areas of need within the 300' buffers (approximately 10 acres); and approximately 70 acres of preserved mature forest is included in this prospectus. The newly planted riparian buffers will complete the reforestation of current invasive species areas that were previously open pasture areas. These additional buffers will provide increased shading to the waterways, will reduce the expansion of invasive species within the forest, and will provide the re-establish of native forest species. Mitigation at the Callaway site will focus on the preservation of up to 300' riparian buffers, planting of up to 100' of new riparian buffers, and removal of existing invasive species found within the proposed mitigation areas. All native species to be planted will be selected based on adaptability to existing site conditions. Stream restoration is not proposed at the Callaway site. As a result, water rights do not affect the overall design or success of the proposed mitigation bank at Callaway.

2. EXISTING SITE CONDITIONS

2.1. Property Description

The Roanoke Mitigation Bank at Callaway (RUMB-CAL) is located on a 152-acre property in Franklin County, Virginia. The site is located at 37°02'01"N and 80°05'31"W, near the intersection of Callaway Road and Chestnut Grove Road. The site contains an unimproved access road, existing home (circa 1940's); jurisdictional streams, hiking trails, and overlooks. The majority of the site is forested, with areas along some of the tributaries containing invasive species (*Ailanthis altissima*, *Rosa multiflora*). There are several old logging roads throughout the site that currently serve as hiking trails. The proposed Bank adjoins U.S. Department of Interior lands near the Pine Spur and Devil's Backbone overlooks near mile marker 145 on the Blue Ridge Parkway.

2.2. Topography

The proposed mitigation site is displayed on the Callaway, Virginia, United States Geological Survey (USGS) 7.5-minute topographic quadrangle maps (Figure 2). The 152-acre property contains a mixture of level, rolling, and steep topography with some intermittent and perennial streams. There are many areas of high relief throughout the site. Additionally, narrow valleys run through portions of the site, containing level to rolling topography, and featuring headwater streams. The majority of the site resides on the Blue Ridge Escarpment, a geologic feature that rises sharply and forms the transition from the

Upper Piedmont Physiographic Province to the Blue Ridge Mountains. Consequently, the site contains unique rock outcroppings, picturesque ridgelines, and headwater drainages. The RUMB-CAL site topography contains elevations ranging from approximately 1480 feet above mean sea level (AMSL) in the northeast corner of the site to approximately 2500 feet AMSL in the areas of highest relief near the southwest portion of the property.

2.3. Jurisdictional Waters

The RUMB-CAL site contains headwater streams, seeps, and emergent wetlands. Three jurisdictional waters of the U.S. are included in this prospectus and all are unnamed tributaries of the South Fork of the Blackwater River. The primary stream (Stream 1) that flows through the site is a headwater stream that begins on-site and flows in a northeast direction for approximately 4,000 linear feet before joining an unnamed tributary of the South Fork of the Blackwater River just below the property line of the proposed Bank site. Stream 1 contains a mixture of intermittent and perennial sections as it flows through the site. Stream 2 is a headwater stream that originates on-site near the southern portion of the property. Stream 2 is approximately 1000 linear feet of intermittent and perennial drainage that flows into Stream 1. The unique geology associated with the Blue Ridge Escarpment results in interesting conditions for Stream 1 and Stream 2. The upper drainages of Stream 1 and Stream 2 exhibit perennial stream characteristics, with consistent flow. Stream 1 and Stream 2 then lose surface flow further down the escarpment where it appears that drainage begins to flow sub-surface through fractures in the geology. Stream 1 and Stream 2 exhibit intermittent characteristics in this section. Stream 3 is a headwater stream that originates on-site and flows for approximately 1000 linear feet in a northeastern direction past the existing home prior to leaving the property. Stream 3 is not affected by the geology of the escarpment and as such does not lose flow to sub-surface fractures. Stream 3 is a perennial stream. A total of approximately 6,000 linear feet of stream are proposed for the RUMB-CAL.

The riparian buffers in the upper drainage of Stream 1 contain a heavy coverage of *Rhododendron* and native hardwood trees. Further downstream, the riparian buffers found along Stream 1 transition to a mixture of hardwoods, primarily Tulip Poplar (*Liriodendron tulipifera*), Tree of Heaven (*Ailanthus altissima*), Multiflora Rose (*Rosa multiflora*), and emergent vegetation. This area along Stream 1 is a narrow valley that was once grazed by cattle, likely leading to the colonization of invasive species in this area. The riparian buffers

along Stream 2 also contain a heavy coverage of Rhododendron and native hardwood trees in the upper portions of the drainage. There are some invasive species (primarily Tree of Heaven) found in the riparian buffers along the lower sections of Stream 2, but the Stream 2 buffer predominantly consists of native hardwoods and some evergreen trees. Stream 3 contains a heavy coverage of Rhododendron and some native hardwoods on the right buffer (descending), while the left buffer contains primarily native hardwoods and a hiking trail.

2.4. Presence of Threatened and Endangered Species

The Callaway site was researched for the presence of threatened or endangered species that may be present in and around the proposed mitigation site. The Virginia Fish and Wildlife Information Service (VAFWIS) database was utilized for this report. To summarize the report, there are no threatened or endangered species found in the tributaries located on-site.

3. ESTABLISHMENT AND USE OF CREDITS

An evaluation of the credit analysis will be performed by the MBRT to determine the exact amount of credits the ownership can expect as a result of bringing this proposed bank on-line. A conceptual site development plan (SDP) will be prepared and submitted to the MBRT for review. The final calculation of the anticipated credits generated, as a result of the proposed RMB-CAL site, will be determined by the MBRT based upon final approval of the SDP. The mitigation credits will be made available in accordance with current guidance published by the COE and DEQ. However, a preliminary analysis of the Unified Stream Methodology (USM) determined the site would generate a minimum of 1500 stream preservation/enhancement credits; and up to 1800 watershed credits for the streams currently included in this prospectus.

Disclaimer

The MBI will not supersede or alter the statutory authorities and responsibilities, regulations, policies, and guidance of the signatory agencies or any other group.

4. ESTABLISHMENT OF THE BANK

4.1. Mitigation Banking Instrument (MBI)

The MBI and the development and operation of the Bank will be in accordance with the most current version of the Mitigation Banking Template provided by the Norfolk District,

Corps of Engineers; as well as the “Compensation Mitigation for Losses of Aquatic Resources”, Federal Register, 40 CFR, Part 230, dated April 10, 2008.

The owners (Thom Leedom and Dave & Dawn Tribble) propose that the Bank will be managed by Blue Ridge Land Preservation Group. This entity will be responsible for annual management and operations of the proposed bank; with the owners of BRLPG having reviewed, assisted and/or designed numerous stream enhancement projects over the past 10 years. The owners propose preservation and enhancement of riparian systems and associated stream corridors, specifically for the purpose of generating compensation credits. The owners and Blue Ridge Land Preservation Group will provide for the long term preservation and management of the proposed RUMB-CAL.

4.2. Permits

Blue Ridge Land Preservation Group, on behalf of Thom Leedom and Dave & Dawn Tribble will obtain all documentation, permits and other authorizations required to establish and maintain the RUMB-CAL.

4.3. Bank Development Plan

Blue Ridge Land Preservation Group on behalf of Thom Leedom and Dave & Dawn Tribble will prepare a MBI that will represent the framework for the proposed RUMB-CAL. The proposed bank will be included in the MBI and developed conceptually and in final form through the site development plan (SDP). This documentation will be submitted and presented to the IRT for review and approval. Development of the proposed site will be initiated with the submission of the conceptual SDP for the IRT to evaluate. Upon receiving a conceptual approval by the IRT, Blue Ridge Land Preservation Group will proceed with the preparations for the development of the final SDP. As with the conceptual SDP, the final documentation will also be forwarded to the IRT for review and approval.

Upon receiving final approval of the SDP from the IRT, the documentation will be included as an Addendum to the MBI. As a result, the proposed mitigation bank site will then be deemed a component of the MBI. Fifteen (15) percent of the credits may then be released consistent with the schedule of credit availability in accordance with the final SDP. An approved bank site, or an approved phase of the bank site, may be left undeveloped if no pre-sale or other credits have been debited for the site in the event the final SDP is not approved, the IRT will provide Thom Leedom and Dave & Dawn Tribble with specified reasons for not approving the submittal. Furthermore, Blue Ridge Land Preservation Group

may then resubmit a revised final SDP with the specific modifications and/or justifications that address the IRT concerns.

4.4. Financial Assurances Requirements

Thom Leedom and Dave & Dawn Tribble will provide financial assurances for the proposed RUMB-CAL as part of the individual SDP acceptance forms of financial assurance that will be established in the MBI.

4.5. Real Estate Provisions

Thom Leedom and Dave & Dawn Tribble will record a restrictive covenant easement, or similar maintenance agreement with regards to the proposed bank. This agreement may also be transferable to an acceptable conservation organization upon fulfillment of project objectives with proposed RMB-CAL ownership remaining with the titled owner. Thom Leedom and Dave & Dawn Tribble will provide the perpetual protection and preservation of the proposed bank site through maintenance agreements, restrictive covenants, and/or conservation easements. These provisions will conform to current Norfolk District Corps of Engineers guidance with language allowing road easements, road/bridge crossings, hiking paths and trails, and other activities. Each real estate instrument used must be approved by the IRT.

5. OPERATION OF THE BANK

5.1. Service Area

The primary geographic service area (GSA) for the proposed RUMB-CAL includes Hydrologic Unit Codes (HUCs) for the Roanoke River watershed including all or a portion of the following counties: Montgomery, Roanoke, Bedford, Franklin, Floyd, Patrick, Henry, Pittsylvania, Halifax, Mecklenburg, Charlotte, Appomattox, and Campbell. The primary GSA for the Bank is the Upper Roanoke (03010101). The secondary GSA includes hydrologic unit codes 03010102, 03010103, and 03010105.

5.2. Conditions on Debiting (Credit Availability and Accounting Procedures)

Blue Ridge Land Preservation Group, on behalf of Thom Leedom and Dave & Dawn Tribble will establish and maintain a banking ledger which documents credits and debits to the proposed RUMB-CAL account. Each time an approved debit/credit transaction occurs, Blue Ridge Land Preservation Group will submit a statement to the permitting agencies. Blue Ridge Land Preservation Group will also generate an annual ledger report to be

submitted to all members of the IRT. The ledger will be available for inspection upon written request by any of the participating agencies.

5.3. Use of Credits

The following types of projects may be eligible to use available credits offered by RUMB-CAL:

1. All activities regulated under Section 10 of the Rivers and Harbors Act, Section 404 of the Clean Water Act (CWA) and/or Virginia Water Protection Permit Regulations (9 VAC 25-210) located within the primary GSA of the stream and wetland bank may be eligible to use the RUMB-CAM as compensatory mitigation for unavoidable impacts.

2. Credits may be used to compensate for environmental impacts under other programs (civil works, Superfund removal and remedial activity, supplemental environmental projects for Federal and State enforcement actions, etc.).

3. For projects in the GSA that require authorization with a Nationwide Permit (NWP) under Section 404 of the CWA and/or Section 10 of the Rivers and Harbors Act, Norfolk District State Program General Permit (SPGP), and/or a Virginia Water Protection Permit, and that require compensatory mitigation. Credits from the RUMB-CAL may be used to satisfy these compensatory mitigation requirements if the Bank ownership and the third party permittee reach a mutually acceptable financial agreement that is subject to regulatory approval on a case by case basis.

4. For projects located in the primary GSA that require authorization with an Individual Permit (IP) under section 404 of the CWA and/or Section 10 of the Rivers and Harbors Act and/or Virginia Water Protection Permit, the COE and DEQ, in consultation with the other regulatory and resource agencies, will determine the eligibility of such projects to use the RUMB-CAL on a case by case basis. Once the COE and/or DEQ have determined that mitigation in the RUMB-CAL is ecologically preferable to any on-site alternatives, or that there are no practicable on-site alternatives, mitigation may be provided by the use of mitigation credits for the RUMB-CAL as determined by the COE and/or DEQ for each agency's respective permits if the bank ownership and the third party permittee reach a mutually acceptable financial agreement.

6. MAINTENANCE AND MONITORING OF THE BANK

6.1. Maintenance, Monitoring, & Success Criteria

Prior to the release of credits, the owners (Thom Leedom and Dave & Dawn Tribble) will provide appropriate financial assurance acceptable to the MBRT in accordance with the terms of the MBI and the final SDP. The financial requirements will be reduced over time as the SPD is implemented. Blue Ridge Land Preservation Group will ensure all monitoring and maintenance costs will be undertaken during the success criteria time period. Blue Ridge Land Preservation Group will provide maintenance and monitoring in accordance within the terms and conditions outlined in the MBI and SDP. Monitoring will include data collection for the indicators of success specified for the site. Monitoring reports will be submitted to the IBT according to the schedule set forth in the SDP and will be used to evaluate site performance relative to the performance established in the SDP. Remedial actions to the Bank site may be necessary during operational life of the bank. If Blue Ridge Land Preservation Group has followed the SDP but performance criteria are not being met, the IRT will assist in the development of measures to meet performance criteria while holding additional cost to a minimum.

6.2. Long Term Protection

Consistent with the conditions of the MBI, a maintenance agreement, conservation easement or declaration of restrictive covenants will be recorded prior to the sale of any credits to assure preservation of these lands in perpetuity. Copies of documents of long term protection measures will be included in the SDP. The approved and debited credits in the proposed RUMB-CAL site will be retained in perpetuity by Thom Leedom and Dave & Dawn Tribble. Decisions concerning the operational life of the proposed mitigation bank, long-term monitoring/management, remedial actions, and financial assurances will be made in accordance with the “Compensation Mitigation for Losses of Aquatic Resources”, Federal Register, 40 CFR, Part 230, dated April 10, 2008. These decisions will be agreed upon in the final RMB-CAM SDP signed by the ownership, bank management, and the participating parties.

7. RESPONSIBILITIES OF THE MBRT

The MBRT agrees to:

- A. Review and provide comments on conceptual and final SDP within 30 days of receipt.

- B. Review and provide comments on annual reports within 60 days of receipt.
- C. Review and provide comments on adaptive management plans and/or required remedial action plans within 60 days of receipt.

8. RESPONSIBILITIES OF THE SITE OWNERSHIP

Thom Leedom and Dave & Dawn Tribble agrees to:

- A. Establish and/or maintain RMB-CAL site until :
 - 1. Credits have been exhausted and the debited RUMB-CAL site has satisfied all the conditions stated in the approved SDP, or
 - 2. Banking activity is voluntarily terminated through written notice by Thom Leedom and Dave & Dawn Tribble with approval of the IRT.
- B. Submit to the MBRT an annual report describing the condition of the RUMB-CAL site in relation to the success criteria outlined in the final SDP, as well as relating the overall activity of the Roanoke Umbrella Mitigation Bank at Callaway.
- C. Develop necessary adaptive management plans and/or implement appropriate remedial actions for the RUMB-CAL site in coordination with the IRT in the event the proposed mitigation site fails to achieve success as specified in the final SDP.